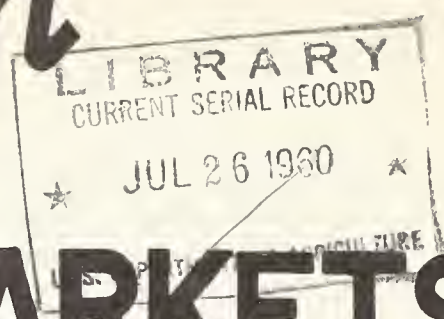


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Foreign CROPS AND MARKETS



FOR RELEASE MONDAY, JULY 18, 1960

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WEST GERMANY PUBLISHES IMPORT TENDERS FOR GRAINS.--On June 25, West Germany published tenders for imports from specified countries (including the United States) of wheat (excluding durum); corn; oats, milo, and sorghums for feed; and industrial corn, oats, and sorghums. No quantity or value limits were specified. The tenders replace earlier ones which were withdrawn on June 24.

Opening dates for purchases by German importers were set as follows: wheat (excluding durum), July 6; corn, milo, and sorghums for food, July 6; corn for industrial purposes, July (no specific day); oats for industrial purposes, September; and millet for industrial purposes, July.

ARGENTINA RAISES SUPPORT PRICES FOR SUNFLOWER SEED AND PEANUTS.--On June 29, Argentina set minimum support prices for 1960-61 crops of sunflower seed and peanuts at 520 and 780 pesos, respectively, per 100 kilograms, bagged, on wagons, Buenos Aires port. Prices for 1959-60 crops were 500 and 750 pesos, respectively.

The new minimum prices are less than market prices, which on June 22 were 537 pesos for sunflower seed and 810 pesos for peanuts. Moreover, the increases from last year are much less, percentagewise, than the increases for corn, millet, and sorghums.

The 1960-61 flaxseed support is 600 pesos, compared with 500 a year earlier (see Foreign Crops and Markets, May 9, 1960).

CANADIANS SMOKING MORE CIGARETTES

Canadian consumption (tax-paid withdrawals) of cigarettes rose again in 1959--to 33.8 billion pieces, compared with 32.4 billion in 1958. Filter-tipped cigarettes made up about 45 percent of Canada's cigarette sales last year.

Cigar withdrawals, at 311 million pieces, were down 3.7 percent from 1958. Sales of cut and plug tobacco (smoking, chewing, and twist) amounted to 23.1 million pounds, compared with 22.5 million in 1958. Snuff sales increased a little--to 824,000 pounds from 783,000 in 1958.

NORWAY'S 1959 TOBACCO IMPORTS DOWN

Norway's imports of unmanufactured tobacco totaled 8.5 million pounds in 1959, compared with 9.9 million pounds in 1958. The 1959 import figures, however, are actual arrivals of tobacco in Norwegian ports, while previous figures were duty-paid imports, mainly withdrawals from bonded storage. The figures, therefore, are not directly comparable.

Arrivals of U. S. leaf in 1959 were only 5.9 million pounds, representing 69 percent of the total. In 1958, the U. S. share of duty-paid imports was 76 percent.

More of the Norwegian market is being taken over by competing tobacco-producing countries. Purchases from the Federation of Rhodesia and Nyasaland for example, totaled 1.3 million pounds in 1959, compared with .7 million in 1956. Purchases from Thailand amounted to 238,000 pounds in 1959, whereas 3 years ago Norway bought no Thai tobacco.

TOBACCO; UNMANUFACTURED: Norway, imports by country of origin,
1957-59

Country of origin	1957 <u>1/</u>	1958 <u>1/</u>	1959 <u>2/</u>
	<u>1,000 lb.</u>	<u>1,000 lb.</u>	<u>1,000 lb.</u>
United States.....	7,981	7,487	5,875
Rhodesias-Nyasaland.....	988	1,157	1,310
Turkey.....	602	474	366
Thailand.....	79	247	238
Greece.....	193	225	218
Japan.....	3	--	150
Others.....	118	291	359
Total.....	9,964	9,881	8,516

1/ Duty-paid imports, mainly from bonded storage. 2/ Arrivals.

Central Institute of Statistics.

RHODESIAN FLUE-CURED TOBACCO SALES BRISK

During the first 11 weeks (through June 22) of 1960 auction sales at Salisbury, Rhodesian flue-cured prices averaged the equivalent of 40.0 U. S. cents per pound. For the corresponding period of 1959, prices averaged 34.9 cents. About 78 million pounds were sold in the first 11 weeks of the 1960 season, compared with 65 million a year ago.

DUTCH EXPORTED MORE SMOKING TOBACCO IN 1959

The Netherlands exported 3.8 million pounds of smoking tobacco in 1959--9 percent above the 3.5 million pounds exported in 1958.

The Netherlands is the world's largest exporter of smoking tobacco, accounting for close to one-half the world trade in this product. The United Kingdom, United States, and Switzerland supply most of the rest of the smoking tobacco entering world trade.

Major markets for Dutch smoking tobacco in 1959 were Singapore, the United States, New Guinea, Surinam, Norway, Canada, and Belgium.

NATIONALIST CHINA SIMPLIFIES EXCHANGE RATE

The Republic of China (Taiwan) has announced that effective July 1, 1960, a single exchange rate will apply to all foreign transactions. Previously, there were two rates: the official rate of 36.38 New Taiwan dollars per U.S. dollar, which applied to some government imports; and the fluctuating "certificate" rate, which applied to other transactions. In recent months, the "certificate" rate has been around 40 NTD per U.S. dollar; the new measure is not expected to bring about a change.

The official rate remains legally in effect as the minimum below which the "certificate" rate cannot fall, and for certain other legal purposes.

BRAZIL INCREASES COCOA BEAN EXPORT EXCHANGE RATE

On July 1, 1960, Brazil increased the effective export exchange rate for cocoa beans from 76 to 90 cruzeiros per U. S. dollar.

ITALY'S SUGAR BEET ACREAGE REDUCED

Preliminary information indicates that 1960 sugar beet acreage in Italy is about 15 percent below 1959. The reduction follows a record 1959 sugar output from 709,000 harvested acres.

NYASALAND ABANDONS COFFEE DEVELOPMENT PROJECT

A plan which would have provided £ 90,000 (\$252,000) to help African coffee growers in the Northern Province of Nyasaland has been withdrawn. Coffee production was to have been boosted from 96 to 700 tons a year (1,625 to 11,854 bags) by the end of 1970. The money advanced by the Rhodesian Selection Trust to finance the program has now been returned.

U.K. ANNOUNCES NEW FRESH PEAR AND CANNED APPLE QUOTAS

The British Board of Trade has announced that the fresh pear import quota for July 1, 1960, through June 30, 1961, will be 25,000 long tons from Northern Hemisphere sources.

This figure is 1,000 tons higher than last year's quota but is not an actual increase. Last year's specific quota of 1,000 tons for Yugoslavia has now been merged with the overall Northern Hemisphere quota. Thus, other exporters, including the United States, will have the opportunity to compete for this additional amount.

The value quota for imports of canned and bottled apples for the new fiscal year will remain unchanged at 800,000 pounds sterling.

WEST GERMANY TO IMPORT CANNED FRUIT

Global import tenders have been issued by the West German Government for canned apricots, peaches, pears, fruit salad, and fruit cocktail in containers weighing less than 5 kilos (11 pounds). Applications for import licenses may be submitted from July 2 until December 30, 1960, or until an undisclosed value limit has been reached.

Two separate tenders are involved. The first, open to all firms that imported under similar tender of August 1, 1959, provides for two delivery periods, requiring separate license applications. Seventy percent of the volume will be imported during the period September 15, 1960-June 30, 1961. The other 30 percent may enter between January 1 and June 30, 1961.

The second tender is open to firms not importing under the first and who have imported canned fruits (deciduous, citrus, or pineapple) since January 1, 1958. An individual importer may not apply for more than DM 20,000 (just under \$5,000). Customs clearance of goods may be between September 15, 1960, and June 30, 1961.

BRAZIL NUT ESTIMATE AGAIN 35,000 TONS

Trade sources in Brazil now generally agree that the 1960 Brazil nut harvest will amount to approximately 35,000 short tons, in-shell. The Belem trade, which had reduced its earlier forecast of 35,000 tons to 31,000 tons, now has reverted to its previous estimate. Sources in Manaus have consistently held to the 35,000-ton figure.

Exports of Brazil nuts through June 1 have totaled 21,000 tons in-shell equivalent--11,000 tons from Manaus and 10,000 tons from Belem. An additional 4,000 tons are expected to be shipped from Manaus, while Belem expects to export another 10,000 tons during the 1960-61 season.

Brazil nut export prices--as of June 7, f.o.b. Manaus--were reported as follows, in cents per pound: shelled, 70; unshelled dehydrated, 32.5; and unshelled natural 26 to 27.

YUGOSLAVIA INCREASES DRIED SOUR CHERRY EXPORTS

Yugoslav exports of dried sour cherries (Maraska) amounted to 240 short tons in 1959, more than doubling 1958 exports of 103 tons. The United States was as usual the main market, taking 163 tons.

The average export price for dried sour cherries in 1959 was \$653 per short ton, f.o.b. Yugoslav port, compared with \$552 in 1958.

Production of Maraska sour cherries can be expected to increase gradually in the next few years as new plantings are reported throughout the country and especially on the Dalmation coast.

SOUR CHERRIES: Yugoslavia, exports of dried Maraska sour cherries and Maraska sour cherry pulp, 1957-59

Item and destination	1957	1958	1959
	Short tons	Short tons	Short tons
Dried Maraska sour cherries:			
Germany, West.....	13	11	6
Netherlands.....	44	0	56
United States.....	80	85	163
Other.....	21	7	15
Total.....	158	103	240
Maraska sour cherry pulp:			
Austria.....	0	0	3
Germany, West.....	93	121	458
Switzerland.....	0	28	0
Total.....	93	149	461

CANADIAN VEGETABLE PROCESSORS CONTRACT FOR SLIGHTLY MORE ACREAGE THIS YEAR

The first estimate of vegetable acreage contracted by Canadian processors is slightly higher than the 1959 acreage. The 1960 contracted acreage is as follows, with the 1959 acreage in parentheses: peas 24,600 acres (21,800); corn 23,700 acres (21,600); tomatoes 23,600 (27,500); and beans 3,000 (3,300).

Canadian processors have contracted for 2,100 short tons of asparagus; 2,300 tons were processed last year.

ITALIAN BRINED CHERRY PACK RECOVERS

Italy's 1960 brined cherry pack is forecast at 15,000 short tons. This is twice as large as last year's short 7,200-ton pack. With much less worm damage, the quality this year is reportedly much better than last season.

Prices of Italian cherries in brine, f.o.b. Italian port, are reported as follows:

<u>Quality</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
	<u>- Cents per pound -</u>		
1st Choice.....	21.8	18.9	20.3
2nd Choice.....	20.3	17.4	17.4
3rd Choice.....	16.0	13.8	10.9

Italian processed cherry exports from June 1, 1959, to February 1, 1960, totaled 9,621 short tons. A breakdown between brined and sulfurated cherry exports is not yet available. The Italian trade does not include sulfurated cherries in its brined cherry production estimate, but Italian export statistics often include both types of processed cherries without separating them. This often results in export figures that are larger than estimated production. Brined and sulfurated cherry exports from Italy have been as follows:

<u>Destination</u>	<u>June 1, 1958-</u> <u>May 31, 1959</u>	<u>June 1, 1959-</u> <u>Feb. 1, 1960</u>
	<u>Short tons</u>	<u>Short tons</u>
Canada.....	2,499	1,639
France.....	<u>1/</u> 11,180	3,391
United Kingdom.....	2,235	1,811
United States.....	957	1,414
Other.....	3,145	1,366
Total.....	20,016	9,621

1/ Includes 6,316 tons of sulfurated (unstemmed and unpitted) for production of glace cherries.

IRANIAN GOVERNMENT NOW FINANCES DRIED FRUIT EXPORTS

Since the Iranian Government's rail freight rate subsidy lapsed on March 21--the last day of the Iranian year--raisin exporters in Iran have been pressing for subsidization of their dried fruit exports.

Bank Melli Iran was therefore authorized, some weeks ago, to issue credits at a 6-percent rate to assist exporters of dried fruits. This is a much lower rate of interest than is commercially available. The bank may lend up to 90 percent of the export value. The loan is to be repaid when payments for the exports are received.

The Iranian trade has also been pressing for reestablishment of the freight subsidy. However, the Ministry of Commerce, the Tehran Chamber of Commerce, and the Ministry of Roads have made a joint declaration that transportation subsidies would not be reestablished at this time.

Consideration is being given to the imposition of a trade tax to provide funds for future subsidies on dried fruit exports.

JAPAN EXPECTED TO INCREASE MEAT IMPORTS

Japan reportedly will soon authorize about 12 million pounds of emergency meat imports because of a current domestic pork shortage and high prices. The imports would be mainly pork but also some beef and veal. Japanese authorities are expected to look mainly to Canada for the pork and to Australia and New Zealand for the beef and veal.

DOWNTREND IN U.S. IMPORTS OF LIVESTOCK AND MEAT PRODUCTS CONTINUES

U.S. imports of livestock and meat products continued to decline in May. January-May imports of most items were well below the comparable period of 1959, and red meat imports were 20 percent below last year.

Variety meat imports during May fell 9 percent from a year earlier; the January-May total was only 2 percent above the same period of 1959. Boneless beef imports in May were slightly above a year earlier, but the 5-month total was down about 6 percent.

Imports of sheep and goat sausage casings for May fell sharply from April and also a year earlier. However, imports of miscellaneous natural casings increased sharply both from April and a year earlier. January-May imports of both classes were slightly above a year earlier.

Wool imports (both dutiable and duty free) in May were 46 percent below a year earlier and the total for January-May was down 29 percent. Imports of hides and skins for January-May were still sharply below a year earlier.

Inshipments of cattle in May were below a year earlier; imports in March and April were higher than in the same months of 1959.

LIVESTOCK PRODUCTS: U.S. imports of selected items, May 1959 and 1960
January-May 1959 and 1960, with percentage change
(Product weight basis)

Commodity	May		Percent change	January-May		Percent change
	1959	1960		1959	1960	
	1,000	1,000		1,000	1,000	
	pounds	pounds	Percent	pounds	pounds	Percent
Red meats:						
Fresh, frozen, canned, and cured beef and veal...	43,688	36,220	-17	206,552	187,617	-9
Other meats <u>1</u> /.....	17,767	2/1,080	-94	66,628	9,653	-86
Total beef and veal.....	61,455	37,300	-39	273,180	197,270	-28
Pork.....	15,689	14,646	-7	82,360	71,229	-14
Mutton.....	4,852	2,830	-42	22,005	17,899	-19
Lamb.....	744	876	+18	3,322	6,383	+92
Total red meat.....	82,740	55,652	-33	380,867	292,781	-23
Variety meats.....	223	203	-9	799	816	+2
Sausage casings:						
Sheep and goat.....	570	289	-49	2,018	2,064	+2
Other natural.....	655	842	+29	3,926	3,976	+1
Wool (clean basis):						
Dutiable.....	10,276	4,640	-55	51,466	36,890	-28
Duty free.....	17,967	10,655	-41	94,708	66,297	-30
Total wool.....	28,243	15,295	-46	146,174	103,187	-29
Hides & skins (1,000 pcs.)						
Cattle.....	86	33	-62	454	151	-67
Calf and kip.....	132	113	-14	764	368	-52
Sheep and lamb.....	3,325	3,549	+7	18,289	15,497	-15
Goat and kid.....	2,338	1,978	-15	12,231	9,104	-26
Live cattle (number) <u>3</u> /.....	97,301	77,940	-20	382,241	349,300	-9

1/ Other meat, canned, prepared, or preserved; mostly salted boneless beef from South America during 1959. 2/ Includes 483,000 from Argentina, 442,000 from Denmark. 3/ Includes cattle for breeding.

SPAIN EARMARKS FUNDS TO IMPROVE ITS LIVESTOCK INDUSTRY

Spain's 1960 agricultural investment program calls for the expenditure of about \$55 million from public funds and sets about \$136 million as a goal for private investments.

About \$9.2 million is being earmarked for the upgrading and expansion of livestock numbers; \$243,000 will be used in establishing a Livestock Improvement Board, an Animal Biological Institute, and for improvement of animal health practices and sanitation standards.

There is also under consideration a vast program to speed up the renovation of the livestock industry. Under this plan, breeders who are forced to dispose of diseased animals will be furnished selected replacement stock. Imports of breeding cattle were liberalized in July 1959.

INDIA'S WOOL EXPORTS ROSE SHARPLY IN 1959

India's raw wool exports in 1959 were 42.1 million pounds, actual weight, compared with 33.9 million in 1958. Exports were at the highest level since partition in 1947 and probably a record high.

Increased U.S. demand for carpet wool accounted for most of the rise. Shipments to the U.S.S.R.--which became an important buyer in 1956--fell from the high 1958 total but were still higher than in other years.

For the first time in recent years, the value of wool exports exceeded the value of wool imports. India imported 2.6 million pounds of raw wool in 1959 and 15.2 million pounds of wool tops. Australia and New Zealand were the principal suppliers of raw wool, and the United Kingdom and Australia accounted for the bulk of the top imports.

INDIA: Exports of raw wool by country of destination actual weight, annual 1955-59

Destination	1955	1956	1957	1958	1959
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
United Kingdom.....	14.9	15.4	16.4	13.0	13.6
United States.....	11.1	11.0	8.9	7.2	12.9
U.S.S.R.....	--	4.4	5.7	9.0	6.3
Belgium.....	.3	1.4	1.7	1.4	2.5
Germany, West.....	.7	.8	1.3	.6	2.1
France.....	.5	.8	2.1	1.2	2.0
Others.....	.8	1.3	1.7	1.5	2.7
Total.....	28.3	35.1	37.8	33.9	42.1

SWEDEN RAISES DUTIES ON PORK, BEEF, AND VEAL

Swedish import duties were recently raised 1 cent per pound for pork and 1.5 cents per pound each for beef and veal. Duties per pound are now 7.7 cents for pork, 11 cents for beef, and 10.7 cents for veal.

These increased duties will tend to reduce U.S. exports of canned pork and beef, which have been relatively small to date in 1960. U.S. exports of variety meats to Sweden have been considerably larger, and horsemeat shipments have been about the same as a year earlier. But there have been few shipments of other meat products.

Sweden sets duties in accordance with a formula which protects Swedish agriculture from world price fluctuations and domestic cost increases. Duties on other meat items were raised this spring, and the new increases listed above have been expected (see Foreign Crops and Markets, May 9, 1960).

AUSTRALIAN BEEF SHIPMENTS TO U.S. IN LATE JUNE

Four ships left Australia during the last two weeks of June with 11,531,520 pounds of frozen beef for U.S. ports.

Ship	Sailing date	Destination ^{1/}	Quantity (pounds)
Cjertrud Bakke	June 16	San Francisco	11,200
		Los Angeles	143,360
		Seattle	132,160
Otaki	June 18	New York	8,198,400
		Philadelphia	327,040
		Boston	1,563,520
		Montreal	2,240
		Chicago	324,800
Monterey	June 24	San Francisco	441,280
		Los Angeles	264,320
Orcades	June 25	San Francisco	44,800
		Los Angeles	78,400

^{1/} Cities listed indicate locations of purchasers and are usually also the port of arrival and general market area for the meat; in some cases, meat may be diverted to other areas for sale.

KOREAN RICE GOING TO JAPAN

Korea will ship 30,000 metric tons of rice to Japan under a contract signed in Tokyo on June 24. Shipment will be in four installments. Polished rice from the 1959 crop will be exported as follows: 5,000 tons in September; 10,000 tons in October; and 7,500 tons in November. The remaining 7,500 tons will be unpolished rice to be shipped in December.

F.o.b. prices are \$148 per metric ton (\$6.71 per 100 pounds) for polished rice and \$137.50 per ton (\$6.24 per 100 pounds) for unpolished (brown) rice. Settlement must be in cash, but Japanese goods in equivalent amount are to be imported.

THAILAND SELLS RICE
TO INDONESIA AND JAPAN

On June 21, Thailand signed government-to-government contracts with Indonesia and Pakistan for 150,000 metric tons of rice. Indonesia is taking 100,000 tons of 55-percent broken, "Indonesian Special." The sale, within the scope of the 3-year agreement of 1959, exceeds the 50,000 tons Indonesia had agreed to buy. Monthly exports will be 25,000 tons from July through October.

The 50,000-ton contract with Pakistan is for 35-percent broken rice to be exported in June (10,000 tons), July (20,000 tons), and August (20,000 tons).

Government-to-government rice sales in 1960 came to 225,000 tons as of June 21, including sales to Japan and Taiwan of 65,000 and 10,000 tons, respectively. The Thai press reported that the June sales assured meeting the 1960 export target of 1,230,000 metric tons of milled rice.

AUSTRALIAN WHEAT AND FLOUR
EXPORTS UP 61 PERCENT

Australian wheat and flour exports during July-April 1959-60 totaled 100.8 million bushels, up about 61 percent from the 62.4 million exported during the first 10 months of 1958-59.

Wheat exports were 80 million bushels, compared with 44 million a year earlier. Most of the increase was in shipments to four countries. These were the United Kingdom (1.7 million bushels, compared with 1.3 a year earlier), Iraq (8.7, against 1.0), Japan (14.3 against 4.4), and Pakistan (3.5 against .7). In contrast, exports to West Germany were down 13.8 million bushels (3.3 million, compared with 17.1).

Flour exports were 21 million bushels, or 3 million above July-April 1958-59. Malaya and Singapore were the principal flour buyers, taking 6.4 million bushels (wheat equivalent), compared with 6.0 million the year before. An increase of 3.2 million bushels in shipments to Ceylon accounted for most of the increase, although exports to Indonesia and the Fiji Islands increased slightly. Countries taking less flour were the United Kingdom, Aden, and the Arabian States.

Present indications are that Australian wheat and flour exports will continue upward throughout the current fiscal year and into the 1960-61 season. Total exports during July-June 1959-60 are estimated at about 60 percent above the 75 million bushels exported during 1958-59.

**WHEAT AND FLOUR: Australian exports to principal countries,
July-April 1958-59 and July-April 1959-60**

Country of destination	July-April 1958-59			July-April 1959-60		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
	1,000	1,000	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels	bushels	bushels
United Kingdom	1,272	2,808	4,080	17,089	1,659	18,748
Germany, West	17,148	--	17,148	3,329	--	3,329
Ireland	3,020	--	3,020	--	--	--
Aden	--	1,400	1,400	--	1,031	1,031
Arabian States	--	1,299	1,299	--	720	720
Ceylon	--	1,894	1,894	--	5,089	5,089
Hong Kong	1,614	170	1,784	1,888	217	2,105
India	1,009	--	1,009	10,096	--	10,096
Indonesia	--	772	772	--	1,328	1,328
Iran	177	--	177	3,536	--	3,536
Iraq	1,026	--	1,026	8,657	--	8,657
Japan	4,435	--	4,435	14,285	--	14,285
Malaya and Singapore ..	720	6,019	6,739	576	6,419	6,995
Pakistan	720	--	720	3,549	--	3,549
Rhodesia and Nyasaland :	1,807	33	1,840	2,892	94	2,986
Union of South Africa :	--	--	--	1,332	--	1,332
Fiji Islands	--	548	548	--	1,014	1,014
New Zealand	6,935	--	6,935	6,618	--	6,618
All others	4,410	3,214	7,624	5,763	3,664	9,427
Total	44,293	18,157	62,450	79,610	21,235	100,845

1/ Grain equivalent.

Compiled from official and other sources.

BURMA'S RICE EXPORTS AHEAD OF YEAR AGO

Burmese shipments of rice and rice products from January through May were 1,125,000 metric tons, an increase of 71 percent over the same period in 1959. Principal destinations were Indonesia (328,000 tons), India (297,000), Ceylon (139,000), Pakistan (65,000), and Japan (47,000).

Stocks on hand on May 13 totaled around 1,045,000 metric tons, of which 345,000 tons were from old crops, and 700,000 tons were from the 1959-60 harvest. Sellers are being offered a premium for storing this year's paddy until later in the season before offering it for sale to the State Agricultural Marketing Board.

DRY WEATHER REDUCING AUSTRALIAN MILK OUTPUT

Exceptionally dry conditions during the late summer and early autumn in Victoria, Queensland, and New South Wales--the major dairy areas of Australia--caused a sharp decline in milk output toward the end of the January-March quarter of 1960.

Milk production in the last quarter of 1959 had been running about 9 percent above the comparable period a year earlier, but declined to a rate barely 1 percent greater in the first quarter. Because of adverse weather in April and May in the three dairy states, production in the April-June quarter was also expected to be reduced. However, the production level was so high earlier in the marketing year that output for the entire 1959-60 season (July-June) is expected to be the largest on record.

Butter output in the January-March quarter of 1960 was 123 million pounds, compared with 123.5 million pounds a year earlier. Due to the decline of milk production and less demand in export markets, it now appears unlikely that butter production will set any records in the marketing year. Output is now forecast at 439 million pounds, still above the 427 million pounds manufactured in 1958-59, but well below the alltime record output of 461 million pounds in 1955-56.

Cheese production in the quarter ending March 1960 increased 6.4 percent to 25.5 million pounds. For the marketing year, however, production is expected to be approximately 90 million pounds, about 7 percent below the 96.4 million pounds produced a year earlier.

Output of most other manufactured dairy products during the first quarter of 1960 was at a higher level than a year earlier. Evaporated milk at 24.8 million pounds was up more than 46 percent. Dried whole milk production, 12 million pounds, was 1.2 percent higher; nonfat dry milk, 22.3 million pounds, was 6 percent higher. Output of condensed whole milk declined 9 percent to 16.1 million pounds. Casein production dropped 6 percent to 5.3 million pounds.

CEYLON'S COPRA AND COCONUT OIL EXPORTS
DOWN ONE-HALF IN FIRST QUARTER

Ceylon's copra and coconut oil exports in January-March were 12,714 long tons, oil basis, or slightly more than half those of the first 3 months of 1959. Desiccated coconut shipments, totaling 9,834 long tons, were slightly above those of the comparable period of 1959. Shipments of fresh coconuts remained negligible.

COPRA AND COCONUT OIL: Ceylon, exports by country of destination,
average 1935-39, annual 1959, and January-March 1959 and 1960

Continent and country of destination	COPRA				COCONUT OIL			
	Average	1959	Jan. - March		Average	1959	Jan. - March	
	1935-39	1/	1959	1960 1/	1935-39	1959	1959	1960 1/
	Long	Long	Long	Long	Long	Long	Long	Long
	tons	tons	tons	tons	tons	tons	tons	tons
North America:								
Canada.....	---	---	---	---	8,523	9,867	2,221	782
Other.....	1	---	---	---	2,119	2,481	780	695
Total.....	1	---	---	---	10,642	12,348	3,001	1,477
South America.....	---	---	---	---	1,433	353	88	127
Europe:								
Denmark.....	1,605	---	---	---	35	---	---	---
France.....	354	---	---	---	347	322	---	---
Germany, West.....	2/ 1,482	---	---	---	2/ 1,200	12,217	518	10
Greece.....	1,526	---	---	---	120	---	---	---
Italy.....	6,541	---	---	---	1,724	14,288	4,072	2,294
Netherlands.....	1,929	---	---	---	1,976	8,394	4,065	1,141
Poland.....	126	---	---	---	8	---	---	---
Sweden.....	---	---	---	---	3,573	---	---	---
Switzerland.....	---	---	---	---	84	---	---	---
United Kingdom.....	420	---	---	---	14,160	3,449	702	605
Other.....	2,518	---	---	50	3,930	3/4,928	4/ 5	---
Total.....	16,501	---	---	50	27,157	43,598	9,362	4,050
Africa:								
Egypt.....	425	---	---	---	2,433	513	293	---
Union of South Africa.....	---	---	---	---	2,597	223	13	24
Other.....	6	---	---	---	1,354	1,239	484	247
Total.....	431	---	---	---	6,384	1,975	790	271
Asia:								
China, Mainland.....	---	2,617	---	---	---	200	200	---
India.....	5/ 42,549	38,008	11,306	4,869	5/ 10,710	1,826	493	41
Iran.....	---	212	40	38	6	3,954	557	1,165
Iraq.....	20	66	22	61	315	150	100	---
Israel.....	---	---	---	---	15	---	---	---
Pakistan.....	5/	1,122	240	232	5/	3,867	545	1,813
Syria.....	60	215	---	---	164	415	350	10
Other.....	365	369	67	276	2,031	724	400	259
Total.....	42,994	42,609	11,675	5,476	13,241	11,136	2,645	3,288
Oceania.....	---	---	---	---	154	10	---	20
Grand total.....	59,927	42,609	11,675	5,526	6/ 59,013	69,420	15,886	9,233

1/ Preliminary.

2/ Total Germany.

3/ 15 tons to Finland, 389 tons to Belgium, 3,499 tons to Lithuania, and 1,025 tons to U.S.S.R.

4/ All to Finland.

5/ Pakistan included with India.

6/ Includes 2 tons to ships' stores.

Compiled from official sources.

CANADA'S GRAIN ACREAGE AT 1959 LEVEL

An advance report on Canada's grain acreage in the Prairie Provinces shows very little change from the 1959 acreage of spring wheat and of oats. Barley acreage is down 0.9 million acres while flaxseed and rapeseed together are up 1.2 million acres, according to the preliminary forecast. Land under summerfallow is about 0.6 million acres smaller than in 1959.

Though the spring wheat acreage of 22.6 million acres is about the same as last years, it is 5 percent below the average of the 10 previous years. The reported acreage of 7.9 million acres of oats for grain is about 4 percent below the 10-year average. Barley acreage of 7.2 million acres is 11 percent below the 1959 acreage and 10 percent below the 10-year average. The 23.9 million acres to be summerfallowed is 2 percent less than the previous year but is 2 percent above the 10-year average.

WEST GERMANY LIBERALIZES SEED IMPORTS SOONER THAN EXPECTED

On June 29, West Germany announced that the liberalization of certain seed imports would be effective July 1, 1960. It thus advanced the liberalization date of those items which according to a May 1959 decision of the General Agreement on Tariffs and Trade (GATT) were to be liberalized by January 1, 1961.

The announcement specified the following seeds: red clover, alfalfa, sainfoin, serradella, crimson clover, alsike clover, black medic, Kentucky bluegrass, roughstalf bluegrass, redtop, Colonial bentgrass and other agrostis species, other grasses (excluding perennial and annual ryegrasses, tall oatgrass, timothy, orchardgrass, meadow fescue, and red fescue). Meadow and red fescues are scheduled for liberalization by January 1, 1961. Berseem clover and birdsfoot trefoil are already liberalized.

The announcement also included other forage crop seeds (excluding feed beets); flower seeds (excluding seeds from flowering shrubs and trees); vegetable seeds (including vegetable beets and kitchen herbs); vetches and lupines.

NIGERIAN PEANUT PURCHASES DOWN SHARPLY; PALM PRODUCTS FORECAST AT 1959 LEVEL

Commercial purchases of shelled peanuts by the Nigerian Marketing Boards in 1959-60 are expected to be down about one-sixth from the previous year and down more than one-third from the record purchases of 1957-58. The below-average outturn is attributed to insufficient rain during the growing period.

OILSEEDS AND PALM OIL: Nigeria, purchases by the Marketing Boards for export and crushing, marketing years 1957-58 through 1959-60

Commodity	1957-58	1958-59	1959-60 <u>1/</u>
	1,000 long tons	1,000 long tons	1,000 long tons
Peanuts (shelled).....	715	533	450
Palm kernels <u>2/</u>	461	432	432
Palm oil <u>2/</u>	190	197	196
Sesame seed.....	16	16	21
Cottonseed.....	81	58	58
Soybeans.....	14	3	4

1/ Preliminary estimate. 2/ Calendar years 1958-60.

Purchases of other oilseed crops and palm oil are not expected to vary greatly from last year. Estimates of season purchases are based on actual purchases through about mid-May, when the bulk of the oilseed crops except for the palm products had been purchased.

PRAIRIE PROVINCES REPORT SPECTACULAR
JUMP IN OILSEED ACREAGE

Canadian farmers in the Prairie Provinces have planted 2,797,000 acres to flaxseed and a record 726,000 acres to rapeseed, according to the advance preliminary estimates of the Dominion Bureau of Statistics, released July 6. (The regular acreage report by provinces will be released on July 29.)

Flaxseed acreage increased 31 percent from last year's 2,130,000 acres and 76 percent above the 10-year (1949-58) average of 1,588,000 acres. However, this year's level is almost one-fifth below the record 3,462,000 acres of 1957. Rapeseed plantings rose a spectacular 240 percent from the 213,500 acres planted in 1959 and 16 percent above the previous high of 626,000 acres in 1958.

Revised estimates place the 1959 flaxseed harvest in the Prairies at 17.5 million bushels and rapeseed at 178 million pounds.

U. S. COTTON EXPORTS CONTINUE STRONG

U. S. exports of cotton (all types) in May 1960 amounted to 524,000 running bales. Although May exports were 22 percent below April shipments of 669,000 bales, they were more than double May 1959 exports of 248,000 bales.

Exports during the first 10 months (August-May) of the 1959-60 season totaled 6,006,000 running bales--almost $2\frac{1}{2}$ times the 2,425,000 bales shipped during the corresponding period last season. Comparable figures in 500-pound gross weight bales, and destinations of the August-May 1959-60 exports will be published in Foreign Crops and Markets when available.

U. S. EXPORTS OF SOYBEANS, EDIBLE OILS;
AND OILCAKES CONTINUE HEAVY THROUGH MAY

During the first 8 months of the current marketing year (October-May 1959-60) U. S. exports of soybeans and oilseed cakes and meals continued at record levels, as in previous months. Edible oil exports were up 20 percent from a year earlier but were 9 percent less than the record tonnage exported in the comparable months of 1956-57.

SOYBEANS, EDIBLE OILS, AND OILSEED CAKES AND MEALS: U. S. exports,
year beginning Oct. 1, 1957 and 1958,
October-May 1958-59 and 1959-60

Item	1957-58	1958-59 1/	October-May	
			1958-59 1/	1959-60 1/
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Soybeans.....	85.5	110.1	79.4	98.4
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Edible oils:				
Soybean.....	804.0	930.4	483.6	475.0
Cottonseed.....	248.0	404.2	244.6	416.7
Total.....	1,052.0	1,334.6	728.2	891.7
Oil equivalent of soybeans.....	938.9	1,208.6	871.9	1,080.1
	1,000	1,000	1,000	1,000
	short tons	short tons	short tons	short tons
Cakes and meals:				
Soybean.....	300.0	512.2	359.5	479.7
Cottonseed.....	7.2	27.3	5.1	123.0
Linseed.....	5.9	31.2	14.3	48.8
Total 2/.....	316.3	581.0	380.7	658.3
Meal equivalent of soybeans.....	2,000.9	2,608.7	1,881.9	2,311.7

1/ Preliminary. 2/ Includes peanut cake and meal and small quantities of other cakes and meals.

Compiled from records of the Bureau of the Census.

About a third (6.3 million bushels) of the increase in soybean exports was in shipments to the Netherlands. With May exports to Japan (the major market) at 5.3 million bushels, the 8-month total to that country climbed to 30 million bushels, 3.6 million more than a year earlier.

U.S. exports of edible oils (cottonseed and soybean oils) at 891.7 million pounds were 20 percent larger than last year but 9 percent less than the 980.1 million pounds shipped in October-May 1956-57. The decline of one-third in edible oil exports under Title I of Public Law 480 was sharply offset by the increase in dollar sales. Exports of edible oils plus the oil equivalent of soybean exports set a new record of over 1 billion pounds.

While cottonseed oil exports in May dropped to the lowest monthly level of the year, reflecting the dwindling supply, the October-May total was 70 percent larger than in the first 8 months of last year. May exports of soybean oil were the largest monthly shipment of the year.

Of major significance were the sharp increases from last season in exports of edible oil to West Germany, Turkey, the Netherlands, and Morocco. These increases far offset the decline in P.L. 480 exports of soybean oil to Spain and Poland. Soybean oil shipments to Spain in April and May at 28.4 and 63.4 million pounds, respectively, were the first to that country since November.

Denmark, the United Kingdom, and the Netherlands were the major buyers of the sharply increased cottonseed meal shipments. Canada was the major market for soybean meal, though it took one-fifth less than a year earlier; but West Germany, the Netherlands, Belgium, Spain, and Poland increased their purchases. Linseed meal exports were negligible in May, but the 8-month total was still $3\frac{1}{2}$ times last year's tonnage.

CANADA IMPORTS MORE COTTON; USES LESS

Canadian imports of cotton in the first 7 months (August-February) of this season amounted to 195,000 bales (500 pounds gross)--25 percent above imports of 156,000 bales in the corresponding 1958-59 period.

The United States regained a substantial share of the market as imports of 151,000 bales from this source accounted for 77 percent of the total--more than 3 times the 45,000 bales (29 percent of total imports) imported in the same months a year earlier. Mexico, the principal non-U.S. source in August-February, supplied 43,000 bales, compared with 103,000 bales a year earlier. Total imports of cotton into Canada during the current season are expected to be moderately above 1958-59 imports of 302,000 bales.

Mills reportedly have purchased little cotton in recent weeks, as most requirements through September have been filled. Indications are that buying for forward shipment will begin shortly, and with U. S. cotton competitive in price with foreign growths, a large proportion of Canada's cotton purchases probably will be from this country.

Although domestic demand for textiles continues strong, cotton consumption of 288,000 bales during August-May of this season was 8 percent below the 313,000 bales used a year earlier. The lower rate of consumption is attributed to labor problems in some mills earlier this season, increased competition from imported textiles; and the closing of one of Canada's larger mills in the summer of 1959.

(cont'd.)

Official Business

Canadian stocks of cotton on March 1 were slightly below beginning stocks of 61,000 bales held August 1, 1959.

Imports of cotton goods totaled 92.3 million pounds in calendar 1959, a rise of 7 percent from 86.6 million in 1958. Imports from the United States decreased in both volume and percent of total, but imports from other areas, including Japan and Hong Kong, increased.

BELGIAN IMPORTS AND CONSUMPTION OF COTTON INCREASE

Imports of cotton into Belgium during August-February 1959-60 amounted to 296,000 bales (500 pounds gross)--up 28 percent from the 231,000 bales imported in the same months of 1958-59.

Much of the increase was in imports of U.S. cotton. Imports from the United States during the period under review amounted to 110,000 bales (37 percent of total imports), compared with 50,000 bales (22 percent of the total) in the same period last season. Quantities imported from principal sources other than the U. S. during August-February 1959-60, with comparable 1958-59 figures in parentheses, were: Belgian Congo 55,000 bales (43,000); Turkey 19,000 (9,000); Mexico 17,000 (56,000); and Brazil 15,000 (2,000).

Cotton consumption during August-March, at 284,000 bales, was 13 percent above the 251,000 bales used in the same period a year earlier. Total consumption this season is expected to be well above the 375,000 bales used in 1958-59, as sales of cotton goods for both domestic use and export are well ahead of last season and stocks of finished goods have been reduced considerably. Midseason stocks of cotton on January 31, 1960; were estimated at 128,000 bales; beginning stocks were 116,000 bales on August 1, 1959.